

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

COMPUTE NORTH HOLDINGS, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 22-90273 (MI)
)
) (Jointly Administered)
) **Re: Docket Nos. 91, 191, 222**

**CERTIFICATION OF COUNSEL
REGARDING REVISED PROPOSED ORDER**

**(A) APPROVING DE MINIMIS ASSET SALE PROCEDURES;
(B) APPROVING CERTAIN BIDDING PROCEDURES, ASSUMPTION,
ASSIGNMENT, AND REJECTION PROCEDURES, AND THE FORM AND
MANNER OF NOTICE THEREOF; (C) AUTHORIZING THE DEBTORS TO
ENTER INTO ASSET PURCHASE AGREEMENTS WITH STALKING HORSE
BIDDERS; AND (D) SCHEDULING A HEARING ON THE APPROVAL OF THE
SALE OF THE DEBTORS' REMAINING ASSETS FREE AND CLEAR OF ALL
ENCUMBRANCES AS WELL AS THE ASSUMPTION AND ASSIGNMENT
OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

Pursuant to paragraph 45 of the *Procedures for Complex Cases in the Southern District of Texas*, effective August 1, 2021, the undersigned hereby certifies as follows:

1. On September 26, 2022, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Emergency Motion for Entry of (I) an Order (A) Approving De Minimis Asset Sale Procedures; (B) Approving Certain Bidding Procedures, Assumption, Assignment, and Rejection Procedures, and the Form and Manner of Notice Thereof; (C) Authorizing the Debtors to Enter into Asset Purchase Agreements with Stalking Horse*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Compute North Holdings, Inc. (4534); Compute North LLC (7185); CN Corpus Christi LLC (5551); CN Atoka LLC (4384); CN Big Spring LLC (4397); CN Colorado Bend LLC (4610); CN Developments LLC (2570); CN Equipment LLC (6885); CN King Mountain LLC (7190); CN Minden LLC (3722); CN Mining LLC (5223); CN Pledgor LLC (9871); Compute North Member LLC (8639); Compute North NC08 LLC (8069); Compute North NY09 LLC (5453); Compute North SD, LLC (1501); Compute North Texas LLC (1883); Compute North TX06 LLC (5921); and Compute North TX10 LLC (4238). The Debtors’ service address for the purposes of these chapter 11 cases is 7575 Corporate Way, Eden Prairie, Minnesota 55344.

Bidders; and (D) Scheduling a Hearing on the Approval of the Sale of the Debtors Assets Free and Clear of All Encumbrances as well as the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of the Debtors Assets Free and Clear of all Encumbrances, (B) Approving Asset Purchase Agreements, (C) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (D) Waiving Stay Provisions Pursuant to Bankruptcy Rules 6004(H) and 6006(D) [Docket No. 91] (the “Sale Procedures Motion”).²

2. On October 11, 2022, the United States Bankruptcy Court for the Southern District of Texas (the “Court”) held a hearing (the “Initial Hearing”) to consider the Sale Procedures Motion. Following the Initial Hearing, the Debtors filed a revised form of proposed order under certification of counsel [Docket No. 184] and, on October 13, 2022, the Court entered that revised proposed order with certain modifications [Docket No. 191] (the “Initial Sale Procedures Order”). The Initial Sale Procedures Order contemplated that the Debtors would seek approval of a final sale procedures order at a subsequent hearing to be held before the Court on October 21, 2022.

3. On October 21, 2022, the Debtors filed a proposed form of final sale procedures order [Docket No. 222] (the “Original Proposed Final Sale Procedures Order”) and, also on October 21, 2022, the Court held a hearing (the “Subsequent Hearing”) to consider entry of the Original Proposed Final Sale Procedures Order. At the Subsequent Hearing the Court and other parties in interests raised certain comments with respect to certain provisions of the Original Proposed Final Sale Procedures Order.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Sale Procedures Motion.

4. The Debtors hereby file a revised proposed form of final sale procedures order, attached hereto as **Exhibit A** (the “Revised Proposed Final Sale Procedures Order”), which incorporates changes in response to the concerns raised at the Subsequent Hearing regarding the Original Proposed Final Sale Procedures Order.

5. For the convenience of the Court and parties in interest, a redline of the Revised Proposed Final Sale Procedures Order marked against the Original Proposed Final Sale Procedures Order is attached hereto as **Exhibit B**.

6. Following the Subsequent Hearing, the Debtors conferred with those parties that raised concerns at the hearing and provided such parties with a copy of the revised proposed order. All known objections to the relief sought pursuant to the Revised Proposed Final Sale Procedures Order have been resolved. Accordingly, the Debtors respectfully request that the Court enter the Revised Proposed Final Sale Procedures Order at the Court’s earliest convenience without further notice or a hearing.

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Dated: October 24, 2022
Houston, Texas

/s/ James T. Grogan III

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Proposed Counsel to the Debtors and Debtors in Possession